

State Board for Private Postsecondary Education

A.R.S. § 32-3002

Executive Director: Teri R. Candelaria

JLBC Analyst: Steve Grunig

| | FY 2004 Actual | FY 2005 Estimate | FY 2006 Approved | FY 2007 Approved |
|---------------------------------------|-------------------|---------------------|-------------------------------|-----------------------------|
| OPERATING BUDGET | | | | |
| <i>Full Time Equivalent Positions</i> | 4.0 | 4.0 | 4.0 | 4.0 |
| Personal Services | 158,200 | 169,800 | 172,700 | 169,800 |
| Employee Related Expenditures | 45,400 | 48,500 | 56,300 | 49,700 |
| Professional and Outside Services | 5,800 | 5,300 | 21,300 | 24,100 |
| Travel - In State | 600 | 2,000 | 2,000 | 2,000 |
| Travel - Out of State | 1,100 | 0 | 0 | 0 |
| Other Operating Expenditures | 36,100 | 37,900 | 38,100 | 38,100 |
| Equipment | 1,300 | 0 | 0 | 5,800 |
| AGENCY TOTAL | 248,500 | 263,500 | 290,400^{1/2/} | 289,500^{2/} |

FUND SOURCES

Other Appropriated Funds

| | | | | |
|--|----------------|----------------|----------------|----------------|
| Board for Private Postsecondary Education Fund | 248,500 | 263,500 | 290,400 | 289,500 |
| SUBTOTAL - Other Appropriated Funds | 248,500 | 263,500 | 290,400 | 289,500 |
| SUBTOTAL - Appropriated Funds | 248,500 | 263,500 | 290,400 | 289,500 |
| Other Non-Appropriated Funds | 104,300 | 235,200 | 110,200 | 111,000 |
| TOTAL - ALL SOURCES | 352,800 | 498,700 | 400,600 | 400,500 |

AGENCY DESCRIPTION — The board licenses and regulates approximately 166 private postsecondary education institutions that service approximately 200,000 students annually. The board processes license applications, determines compliance, investigates complaints and violations, and takes disciplinary action on all private postsecondary institutions that offer vocational and/or degree programs. However, the board does not have jurisdiction over cosmetology, barber, real estate, or professional driving schools. In addition to regulatory duties, the board administers the Student Tuition Recovery Fund, which provides restitution to students financially injured by private postsecondary institutional closures.

| | FY 2003 Actual | FY 2004 Actual | FY 2006 Approved |
|---|-------------------|-------------------|---------------------|
| PERFORMANCE MEASURES | | | |
| • Average number of days to pay fund claims | 90 | 2 years | 90 |
| • Average days to process student record requests | 12 | 10 | 10 |
| • Customer satisfaction rating (Scale 1-8) | NA | 7.8 | 7.8 |

Comments: The agency did not submit information for any measure labeled as “NA.” A pending lawsuit has caused the average number of days to pay fund claims to increase significantly. The board has disbursed funds to the students; however, such claims could not be finalized until the lawsuit was resolved.

Operating Budget

The budget provides \$290,400 from the Board for Private Postsecondary Education Fund for the operating budget in FY 2006 and \$289,500 in FY 2007.

The approved amount includes an increase of \$10,900 from the Board for Private Postsecondary Education Fund in FY 2006 and an increase of \$1,400 in FY 2007 for statewide adjustments. *(Please see the Statewide*

Adjustments section at the end of this Appropriations Report for details.)

Legal Services

The approved amount includes an increase of \$16,000 from the Board for Private Postsecondary Education Fund in FY 2006 and an increase of \$16,800 in FY 2007 for legal services provided by the Attorney General’s office.

^{1/} This appropriation is available for use pursuant to the provisions of A.R.S. § 35-143.01C and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations until June 30, 2007. (General Appropriation Act footnote)

^{2/} General Appropriation Act funds are appropriated as a Lump Sum by Agency.

Computer Equipment

The approved amount includes a one-time increase of \$5,800 from the Board for Private Postsecondary Education Fund in FY 2007 for computer equipment. The approved amount includes funding for 2 computers, 1 server, computer software and support services required to complete the computer upgrades.

Rule Writer

The approved amount includes a one-time increase of \$2,000 from the Board for Private Postsecondary Education Fund in FY 2007 for rule writing services.